

MOR-1

CASE NAME: **QLRH LLC**
CASE NUMBER: **14-60074-11**
PROPOSED PLAN DATE: **12/31/2014**

UNITED STATES BANKRUPTCY COURT

PETITION DATE: **10/1/2014**
DISTRICT OF TEXAS: **Southern**
DIVISION: **Houston**

YEAR**YEAR****MONTHLY OPERATING REPORT SUMMARY FOR MONTH**

MONTH	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	YTD
REVENUES (MOR-6)	0	0	0	0	0	0	0
INCOME BEFORE INT; DEPREC./TAX (MOR-6)	-15,990	-60,106	0	0	0	0	-76,096
NET INCOME (LOSS) (MOR-6)	-877,697	-1,023,687	0	0	0	0	-1,901,384
PAYMENTS TO INSIDERS (MOR-9)	0	0	0	0	0	0	0
PAYMENTS TO PROFESSIONALS (MOR-9)	0	0	0	0	0	0	0
TOTAL DISBURSEMENTS (MOR-8)	1,580	24,017	0	0	0	0	25,597

The original of this document must be filed with the United States Bankruptcy Court and a copy must be sent to the United States Trustee

REQUIRED INSURANCE MAINTAINED		CIRCLE ONE		
AS OF SIGNATURE DATE	EXP. DATE			
CASUALTY	YES (x) NO ()	12/31/2014	Are all accounts receivable being collected within terms?	In line with historical pattern
LIABILITY	YES (x) NO ()	12/31/2014	Are all post-petition liabilities, including taxes, being paid within terms?	Yes
VEHICLE	YES (x) NO ()	12/31/2014	Have any pre-petition liabilities been paid?	No
WORKERS COMP	YES (x) NO ()	12/31/2014	If so, describe	
OTHER	YES () NO ()	- - -	Are all funds received being deposited into DIP bank accounts?	Yes
			Were any assets disposed of outside the normal course of business?	No
			If so, describe	
			Are all U.S. Trustee Quarterly Fee Payments current?	Yes
			What is the status of your Plan of Reorganization?	Est. 12/31/14

ATTORNEY NAME: **Walter Cicack**
FIRM NAME: **HawashMeade**
ADDRESS: **2118 Smith Street**
CITY, STATE, ZIP: **Houston, TX 77002**
TELEPHONE/FAX: **(713) 658-9003 / (713) 658-9011**

I certify under penalty of perjury that the following complete
Monthly Operating Report (MOR), consisting of MOR-1 through
MOR-9 and its attachments, is true and correct.

SIGNED 
(OBJECTIVE SIGNATURE)

Chris Williams
(PRINT NAME OF SIGNATORY)

Title: **Managing Member**

12/23/2014

DATE Revised 07/01/98

MOR-1

CASE NAME: QLRH LLC
CASE NUMBER: 14-60074-11

COMPARATIVE BALANCE SHEETS

ASSETS	FILING DATE*	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH
	10/1/2014	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15
CURRENT ASSETS							
Cash	5,251	8,158	14,142	0	0	0	0
Accounts Receivable, Net	0	0	0	0	0	0	0
Inventory: Lower of Cost or Market	0	0	0	0	0	0	0
Prepaid Expenses (Professionals; Insurance)	27,762	0	0	0	0	0	0
Investments	20,259,135	18,385,895	17,897,161	0	0	0	0
Other (Goodwill)	619,417	603,534	587,652	0	0	0	0
TOTAL CURRENT ASSETS	20,911,565	18,997,587	18,498,954	0	0	0	0
PROPERTY, PLANT & EQUIP. @ COST	44,728	44,728	44,728	0	0	0	0
Less Accumulated Depreciation	-5,242	-5,591	-5,940	0	0	0	0
NET BOOK VALUE OF PP & E	39,486	39,137	38,788	0	0	0	0
OTHER ASSETS							
1. Tax Deposits	0	0	0	0	0	0	0
2. Intercompany Accounts	-7,287,309	-7,379,294	-7,409,294	0	0	0	0
3. Electric Deposit, Uniform Deposit	0	1,250	1,250	0	0	0	0
4. Rent Deposit	0	0	0	0	0	0	0
TOTAL ASSETS	\$13,663,741	11,658,680	11,129,698	0	0	0	0

* Per Schedules and Statement of Affairs

MOR-2

Revised 07/01/98

CASE NAME: QLRH LLC
CASE NUMBER: 14-60074-11

COMPARATIVE BALANCE SHEETS

LIABILITIES & OWNER'S EQUITY	FILING DATE* 10/1/2014	MONTH Oct-14	MONTH Nov-14	MONTH Dec-14	MONTH Jan-15	MONTH Feb-15	MONTH Mar-15
LIABILITIES							
POST-PETITION LIABILITIES(MOR-4)	0	125,902	153,810	0	0	0	0
PRE-PETITION LIABILITIES							
Notes Payable - Secured	37,000,000	36,800,000	36,800,000	0	0	0	0
Priority Debt	0	0	0	0	0	0	0
Federal Income Tax	0	0	0	0	0	0	0
FICA/Withholding	0	0	0	0	0	0	0
Unsecured Debt	20,216,361	20,190,947	20,199,217	0	0	0	0
Other - Owner Debt	5,943,211	6,408,693	6,867,220	0	0	0	0
TOTAL PRE-PETITION LIABILITIES	63,159,571	63,399,639	63,866,437	0	0	0	0
TOTAL LIABILITIES	63,159,571	63,525,542	64,020,247	0	0	0	0
OWNER'S EQUITY (DEFICIT)							
PREFERRED STOCK							
COMMON STOCK	-33,762,261	-35,255,596	-35,255,596	0	0	0	0
ADDITIONAL PAID-IN CAPITAL	7,990,000	7,990,000	7,990,000	0	0	0	0
RETAINED EARNINGS: Filing Date	-23,723,569	-23,723,569	-23,723,569	0	0	0	0
RETAINED EARNINGS: Post Filing Date	0	-877,697	-1,901,384	0	0	0	0
TOTAL OWNER'S EQUITY (NET WORTH)	-49,495,830	-51,866,862	-52,890,549	0	0	0	0
TOTAL LIABILITIES & OWNERS EQUITY	13,663,741	11,658,680	11,129,698	0	0	0	0

* Per Schedules and Statement of Affairs

MOR-3

Revised 07/01/98

CASE NAME: QLRH LLC
CASE NUMBER: 14-60074-11

	MONTH Oct-14	MONTH Nov-14	MONTH Dec-14	MONTH Jan-15	MONTH Feb-15	MONTH Mar-15
TRADE ACCOUNTS PAYABLE	90,918	115,327	0	0	0	0
TAX PAYABLE						
Federal Payroll Taxes	0	0	0	0	0	0
State Payroll Taxes	0	0	0	0	0	0
Ad Valorem Taxes	0	0	0	0	0	0
Other Taxes	0	0	0	0	0	0
TOTAL TAXES PAYABLE	0	0	0	0	0	0
SECURED DEBT POST-PETITION	0	0	0	0	0	0
ACCRUED INTEREST PAYABLE	0	0	0	0	0	0
ACCRUED PROFESSIONAL FEES*	0	0	0	0	0	0
OTHER ACCRUED LIABILITIES						
1. Franchise Tax, Property Tax, Income Tax	0	0	0	0	0	0
2. Insurance Contract	0	0	0	0	0	0
3. Other Accruals	34,984	38,483	0	0	0	0
TOTAL POST-PETITION LIABILITIES (MOR-4)	\$125,902	\$153,810	\$0	\$0	\$0	\$0

*Payment requires Court Approval

MOR-4

Revised 07/01/98

CASE NAME: QLRH LLC
CASE NUMBER: 14-60074-11

AGING OF POST-PETITION LIABILITIES
MONTH Nov-14

DAYS	TOTAL	TRADE ACCOUNTS	FEDERAL TAXES	STATE TAXES	AD VALOREM, OTHER TAXES	
0-30	33,824	\$33,824			0	
31-60	81,503	\$0			81,503	
61-90	0	\$0			0	
91+	0	\$0			0	
TOTAL	115,327	33,824	0	0	81,503	0

AGING OF ACCOUNTS RECEIVABLE

MONTH	Nov-14					
0-30 DAYS	0	\$0				
31-60 DAYS	0	\$0				
61-90 DAYS	0	\$0				
91+ DAYS	0	\$0				
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0

MOR-5

Revised 07/01/98

CASE NAME: QLRH LLC

CASE NUMBER: 14-60074-11

STATEMENT OF INCOME (LOSS)

YEAR

		MONTH Oct-14	MONTH Nov-14	MONTH Dec-14	MONTH Jan-15	MONTH Feb-15	MONTH Mar-15	YEAR YTD
REVENUES (MOR-1)		0	0	0	0	0	0	0
TOTAL COST OF REVENUES		0	0	0	0	0	0	0
GROSS PROFIT		0	0	0	0	0	0	0
OPERATING EXPENSES:								
Selling & Marketing		0	0	0	0	0	0	0
General & Administrative		3,077	7,223	0	0	0	0	10,300
Insiders Compensation		0	0	0	0	0	0	0
Professional Fees		12,913	52,883	0	0	0	0	65,796
Relocation Expenses		0	0	0	0	0	0	0
Other								0
TOTAL OPERATING EXPENSES		15,990	60,106	0	0	0	0	76,096
INCOME BEFORE INT, DEPR/TAX (MOR-1)		-15,990	-60,106	0	0	0	0	-76,096
INTEREST EXPENSE		465,570	458,616	0	0	0	0	924,186
DEPRECIATION		16,231	16,231	0	0	0	0	32,463
OTHER (INCOME) EXPENSE*		379,906	488,734	0	0	0	0	868,640
OTHER ITEMS** - Income (loss) from subs		0	0	0	0	0	0	0
TOTAL INT, DEPR & OTHER ITEMS		861,707	963,581	0	0	0	0	1,825,288
NET INCOME BEFORE TAXES		-877,697	-1,023,687	0	0	0	0	-1,901,384
FEDERAL INCOME TAXES		0	0	0	0	0	0	0
NET INCOME (LOSS) (MOR-1)		-877,697	-1,023,687	0	0	0	0	-1,901,384

Accrual Accounting Required, Otherwise Footnote with Explanation.

* Footnote Mandatory.

** Unusual and/or infrequent item(s) outside the ordinary course of business requires footnote.

MOR-6

Revised 07/01/98

* Other (Income) / Expense Detail

(Income), QLRS	-94,170
Loss, QLS	474,076

Total, Other Income / Expense

\$	379,906	\$	-	\$	-	\$	-	\$	-	\$	-
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CASE NAME: QLRH LLC

CASE NUMBER: 14-60074-11

CASH RECEIPTS AND DISBURSEMENTS	MONTH Oct-14	MONTH Nov-14	MONTH Dec-14	MONTH Jan-15	MONTH Feb-15	MONTH Mar-15	YEAR TO DATE
1. CASH-BEGINNING OF MONTH	4,205	8,158					4,205
RECEIPTS:							
2. CASH SALES	0	0					0
3. COLLECTION OF ACCOUNTS RECEIVABLE	0	0					0
4. LOANS & ADVANCES (attach list)	0	0					0
5. SALE OF ASSETS	0	0					0
6. OTHER (attach list)	5,533	30,000					35,533
TOTAL RECEIPTS**	5,533	30,000	0	0	0	0	35,533
(Withdrawal) Contribution by Individual Debtor MFR-2*							
DISBURSEMENTS:							
7. NET PAYROLL	0	0					0
8. PAYROLL TAXES (in Net Payroll, ADP pays)	0	0					0
9. SALES, USE & OTHER TAXES PAID	0	0					0
10. SECURED/RENTAL/LEASES	0	0					0
11. UTILITIES & TELEPHONE	0	0					0
12. INSURANCE	0	0					0
13. INVENTORY PURCHASES	0	0					0
14. VEHICLE EXPENSES	0	0					0
15. TRAVEL & ENTERTAINMENT	0	0					0
16. REPAIRS, MAINTENANCE & SUPPLIES	0	0					0
17. ADMINISTRATIVE & SELLING	1,580	194					1,774
18. OTHER (attach list)	0	0					0
TOTAL DISBURSEMENTS FROM OPERATIONS	\$1,580	\$194	\$0	\$0	\$0	\$0	\$1,774
19. PROFESSIONAL FEES	0	23,823					23,823
20. U.S. TRUSTEE FEES	0	0					0
21. OTHER REORGANIZATION EXPENSES (attach list)	0	0					0
TOTAL DISBURSEMENTS**	\$1,580	\$24,017	\$0	\$0	\$0	\$0	\$25,597
22. NET CASH FLOW	\$3,953	\$5,983	\$0	\$0	\$0	\$0	\$9,936
23. CASH - END OF MONTH (MOR-2)	\$8,158	\$14,142	\$0	\$0	\$0	\$0	\$14,142

* Applies to Individual debtors only

**Numbers for the current month should balance (match)

RECEIPTS and CHECKS/OTHER DISBURSEMENTS lines on MOR-8

Rfvisjd 07/01/98

MOR-7

12/22/2014 11:09 AM
MOR, QLRH.1

MOR7

CASE NAME: QLRH LLC
CASE NUMBER: 14-60074-11

CASH RECEIPTS AND DISBURSEMENTS	MONTH Oct-14	MONTH Nov-14	MONTH Dec-14	MONTH Jan-15	MONTH Feb-15	MONTH Mar-15	YEAR TO DATE
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Detail for MOR 7, Line 4, "Loans & Advances"

							0
							0
Total	0	\$0	\$0	\$0	\$0	\$0	0
Detail for MOR 7, Line 6, "Other"							
Transfer from QLRS		30,000					30,000
Transfer from Ameribank	1,090						1,090
Close Ameribank	-1,090						-1,090
Cancel uncleared checks	4,488						4,488
Bill.com	1,045						1,045
							0
							0
							0
Total	5,533	30,000	0	0	0	0	35,533

Detail for MOR 7, Line 18, "Other"

							0
							0
							0
							0
							0
							0
							0
Total	\$0	\$0	\$0	\$0	\$0	\$0	0

CASH ACCOUNT RECONCILIATION
MONTH OF Nov-14

BANK NAME	Capital One	Ameribank			
ACCOUNT NUMBER	3628194873	500087135			
ACCOUNT TYPE	OPERATING	OPERATING	OPERATING	OPERATING	TOTAL
BANK BALANCE	14,142				14,142
DEPOSITS IN TRANSIT	0	0			0
OUTSTANDING CHECKS	0	0			0
ADJUSTED BANK BALANCE	14,142	0			14,142
BEGINNING CASH - PER BOOKS	8,158	0			8,158
RECEIPTS*	34,488				34,488
TRANSFERS BETWEEN ACCOUNTS					0
(WITHDRAWAL) OR CONTRIBUTION BY INDIVIDUAL DEBTOR MFR-2					0
CHECKS/OTHER DISBURSEMENTS*	28,505			0	28,505
ENDING CASH - PER BOOKS	14,142	0	0		14,142
	\$0.00			\$0.00	

MOR-8

*Numbers should balance (match) TOTAL RECEIPTS and
TOTAL DISBURSEMENTS lines on MOR-7

Revised 07/01/98

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YEAR
2014

Of the total disbursements shown for the month, list the amount paid to insiders (as defined in Section 101(31)(A)-(F) of the U.S. Bankruptcy Code) and the pro
Also, for insiders, identify the type of compensation paid (e.g., salary, commission, bonus, etc.) (Attach additional pages as necessary).

INSIDERS: NAME/COMP TYPE	MONTH Oct-14	MONTH Nov-14	MONTH Dec-14	MONTH Jan-15	MONTH Feb-15	MONTH Mar-15	Year to Date
1.							0
2.							0
3.							0
4.							0
5.							0
6. Summary from below							0
TOTAL INSIDERS (MOR-1)	\$0.00	\$0.00	\$0.00	0	0	0	0

PROFESSIONALS	MONTH October	MONTH November	MONTH December	MONTH January	MONTH February	MONTH March	Year to Date
1.							0
2.							0
3.							0
4.							0
5.							0
6.							0
TOTAL PROFESSIONALS (MOR-1)	\$0.00	\$0.00	\$0.00	0	0	0	0

MOR-9

Rfvmsfd 07/01/98